23 November 1971

A Proposed Plan for the Development

of an Intelligence Product Improvement Program

General

The purpose of this memorandum is to provide a specific proposal in order to set up an Intelligence product improvement program to meet the requirements and intent of the White House directive.

The DDCI/NIPE is establishing a comptroller function to handle matters concerned with the Consolidated Intelligence Program Budget and Program Evaluation.

The problems associated with establishing a comprehensive program for product improvement are for the most part separate and distinct from the Comptroller function

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Thus, it is necessary for the DDCI/NIPE to set up a separate operating entity to handle what hereafter will be called the Product Improvement function. It is recognized that CIA production management as a part of the production community cannot logically be placed in the de facto position of evaluating itself as well as other community production components which are often regarded as competing organizations.

The White House directive only touches upon three problem areas in raising the concept of "the need for significant improvement of the intelligence product".

First, the directive takes note of the need for increased guidance from Consumers to Intelligence and has set up the Net Assessments Group under Andy Marshall. It has also established the NSC Intelligence Committee to "give direction and guidance on national substantive intelligence needs and provide for a continuing evaluation of intelligence products from the viewpoint of the intelligence consumer". (The latter function is to be carried out by Andy Marshalls group).

Second, the Directive notes that resources devoted to analysis and production should increase. This particular point has been made at various times during the past several years in Defense, State and CIA. However, there has been no comprehensive community study or organization explicitly charged with the responsibility to carry out such a study effort. This should be one of the functions of the new DDCI/NIPE Production Improvement program.

Third, the Directive alludes to a problem of analyst career status and salaries. This results from discussion through the years concerning the loss of talented analysts to higher level supervisory positions in order to advance in pay and grade.

Although not mentioned in the directive, there have been various other allegations made over the years which relate to this same matter. For example:

(1) The growth of consumer demands under the spur of the McNamara Defense Administration and later the NSC process in the Nixon Administration has caused a marked decrease in the analytical time available for research. It is argued that many analysts are spending nearly all of their time "packaging" inputs to various products (i.e., NIE's and NSSMS) with little time available for research and analysis of the vast flow from the technical and human collection resources.

(2) The production function has not had the resources necessary to develop and use modern machine methods in (1) handling the voluminous output of the modern collectors and (2) applying machine techniques to analysis. The result is that much of the analysts time is spent on clerical work as opposed to analytical problems!

(3) Community Production organs do not have functional units solely devoted to the development and investigation of techniques and methods to improve the analytic and production process. This argument is used both in the case of analytic techniques and machine applications.

(4) The Production function has little control over the format of output which results from the processing of the vast technically collected data such as Comint, Imagery and Elint. The result is that production must use machine prepared outputs which are not directly useable and require major reformatting.

(5) There is no function under Production or Intelligence Management which analyzes the product from the standpoint of the built-in biases of the production process. These biases are illustrated in specific outputs such as NIE's by tendencies such as mirror imaging and an analytical overreaction to current information.

(6) Forthcoming systems, particularly in the Satellite area will only serve to make the current production process even more archaic. Production improvement changes must be geared to 1976 and beyond and not merely revisions to meet current shortcomings.

The above examples merely reflect some of the subjective experienced views which have been stated in the context of this problem. Other views have tended to stress organizational aspects particularly with regard to reorganizing for the more effective production of National Intelligence outputs.

The development of a comprehensive program for Intelligence Product improvement will require considerable study of many such areas prior to the program presentation and plan for implementation.

The Initial Development Effort

To initiate the development of a comprehensive program it is proposed that a Production Assessment Group (PAG) be set up under the DDCI/NIPE. The PAG would be responsible for providing a proposed comprehensive program to the Director by not later than June 30, 1972.

The program proposal prepared by PAG would be sent to the DCI for decision following whatever additional review and/or comment was desired by the DDCI/NIPE (i.e., USIB, etc.).

The PAG would then be responsible for monitoring the implementation of the program and preparing periodic program progress reports from the DDCI/NIPE to the Director. PAG would also be responsible for continuing program development by conducting studies and presenting proposals in specific areas related to the production function.

The focus of the initial development effort by the PAG would be in four areas:

(1) Product Evaluation

(2) Production Function Study

(3) Pilot or Prototype Production Analysis Study

(4) Intelligence Objectives & Priorities Preparation

(1) Product Evaluation

The PAG would work in cooperation with the Director of the NSC Net Assessments Group to establish a system for product evaluation by intelligence consumers with adequate communications and feedback to community production components. This would provide the Director of the Net Assessment Group with a Community focal point for carrying out his product evaluation function.

(2) Production Function Study

It will be essential for the PAG to conduct a survey and inventory of all production components with respect to inputs and outputs. CIRIS can provide a basic data input upon which this study can be built. This study will afford an authoritative frame of reference for all phases of the program planning by PAG.

-4-

(3) Pilot/Prototype Production Analysis Study

The objective in this area would be to conduct a detailed analysis of the production process and product in a specific subject area such as "The Soviet Ballistic Missile Program".

The Study could be divided into two distinct parts.

Part I would be an explicit analysis of the Production process in key community production organizations which are primarily concerned with the subject. Specific data would be gathered on inputs by source, data base organization (automated and manual files), analysis personnel (all qualitative aspects), analytical aids (machine and manual) analyst-file relationship, output preparation, production load factors, (periodic and non-periodic), priority criteria, and consumer relationship, if any. Input and output measurements would be looked for or attempted. The objective of Part I would be to analyze the current production capability and those variables of input and output which essentially relate to the analyst and his work environment in order to recommend appropriate actions.

Part II of the prototype study would be done concurrently with Part I. Part II would be designed to deal with analysis of the subject area product itself and the analytical methods and techniques used. Part II would also be designed to look at the subject itself over time as expressed in various modes of output. Although several techniques have been tried here, actual work has only been done in two areas, both of which show promise.

(4) Intelligence Objectives and Priorities Preparation

The PAG would prepare annually the update draft of the DCID on U.S. Intelligence Objectives and priorities for community guidance and use in the DCI resource evaluation program. PAG would also propose a system for NSCIC approval of the U.S. Intelligence Objective and Priorities paper.

-5-

PAG Personnel Requirements

There is a policy decision to be made with respect to the status which is required for effective action of the leader of PAG. In one sense he is the other half of the White House Directive effort, and it may well be that if the effort were led by anything lower than a GS-17/18 it would appear that the Director would be downgrading or slighting the product improvement effort. If such is the decision the person chosen should be one who has had long experience, is sympathetic with the problem, and is at home with analysis and detail.

The assigned PAG personnel should all be relatively senior with both considerable production and analytical experience as well as a good grasp of the community. It is also essential that all PAG personnel be capable of serving as project leaders since PAG activities are likely to be organized on a project basis.

At least one member of the PAG cadre should be particularly knowledgeable in the area of machine/analyst relationships with direct experience in the production area.

The four areas covered in the proposal would require four project leaders operating under the Director of PAG. An additional four analysts would be required to backstop and assist each of the project leaders. The latter four could be less senior analysts but, should not have less than 10 years analytical experience.

It is assumed that the PAG will be augmented by temporary assignments as needed from community production components. These would be 60-90 day tours with extensions if required. Three secretaries would be minimal if it is assumed one supports the Director, PAG and the remaining two each support two projects.

-6-